

SENATE BILL No. 478

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-8.1-3-21; IC 22-1-1-22; IC 22-3-1-5; IC 22-4.1-4-4.

Synopsis: Improper classification of workers. Provides for the sharing of information concerning the classification of individuals as independent contractors among the department of labor, the department of state revenue, the department of workforce development, and the worker's compensation board of Indiana. Provides that certain information pertaining to employee classification shared among the state agencies is confidential and may not be published or open to public inspection.

Effective: July 1, 2009.

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January 14, 2009, read first time and referred to Committee on Pensions and Labor.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

SENATE BILL No. 478

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-8.1-3-21 IS ADDED TO THE INDIANA CODE
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2009]: **Sec. 21. (a) This section applies after December 31, 2009.**

4 **(b) As used in this section, "contractor" means:**

- 5 **(1) a sole proprietor;**
- 6 **(2) a partnership;**
- 7 **(3) a firm;**
- 8 **(4) a corporation;**
- 9 **(5) a limited liability company;**
- 10 **(6) an association; or**
- 11 **(7) another legal entity;**

12 **that engages in construction and is authorized by law to do**
13 **business in Indiana. The term includes a general contractor, a**
14 **subcontractor, and a lower tiered contractor. The term does not**
15 **include the state, the federal government, or a political subdivision.**

16 **(c) The department shall cooperate with the:**

- 17 **(1) department of labor created by IC 22-1-1-1;**



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(2) worker's compensation board of Indiana created by IC 22-3-1-1(a); and

(3) department of workforce development established by IC 22-4.1-2-1;

by sharing information concerning any suspected improper classification by a contractor of an employee as an independent contractor (as defined in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5)).

(d) For purposes of IC 5-14-3-4, information shared under this section is confidential, may not be published, and is not open to public inspection.

SECTION 2. IC 22-1-1-22 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 22. (a) This section applies after December 31, 2009.

(b) As used in this section, "contractor" means:

- (1) a sole proprietor;
- (2) a partnership;
- (3) a firm;
- (4) a corporation;
- (5) a limited liability company;
- (6) an association; or
- (7) another legal entity;

that engages in construction and is authorized by law to do business in Indiana. The term includes a general contractor, a subcontractor, and a lower tiered contractor. The term does not include the state, the federal government, or a political subdivision.

(c) The department of labor shall cooperate with the:

- (1) department of workforce development established by IC 22-4.1-2-1;
- (2) department of state revenue established by IC 6-8.1-2-1; and
- (3) worker's compensation board of Indiana created by IC 22-3-1-1(a);

by sharing information concerning any suspected improper classification by a contractor of an employee as an independent contractor (as defined in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5)).

(d) For purposes of IC 5-14-3-4, information shared under this section is confidential, may not be published, and is not open to public inspection.

SECTION 3. IC 22-3-1-5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 5. (a) This section applies after December 31, 2009.

(b) As used in this section, "contractor" means:

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- (1) a sole proprietor;
- (2) a partnership;
- (3) a firm;
- (4) a corporation;
- (5) a limited liability company;
- (6) an association; or
- (7) another legal entity;

that engages in construction and is authorized by law to do business in Indiana. The term includes a general contractor, a subcontractor, and a lower tiered contractor. The term does not include the state, the federal government, or a political subdivision.

(c) The worker's compensation board of Indiana shall cooperate with the:

- (1) department of state revenue established by IC 6-8.1-2-1;
- (2) department of labor created by IC 22-1-1-1; and
- (3) department of workforce development established by IC 22-4.1-2-1;

by sharing information concerning any suspected improper classification by a contractor of an employee as an independent contractor (as defined in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5)).

(d) For purposes of IC 5-14-3-4, information shared under this section is confidential, may not be published, and is not open to public inspection.

SECTION 4. IC 22-4.1-4-4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 4. (a) This section applies after December 31, 2009.

(b) As used in this section, "contractor" means:

- (1) a sole proprietor;
- (2) a partnership;
- (3) a firm;
- (4) a corporation;
- (5) a limited liability company;
- (6) an association; or
- (7) another legal entity;

that engages in construction and is authorized by law to do business in Indiana. The term includes a general contractor, a subcontractor, and a lower tiered contractor. The term does not include the state, the federal government, or a political subdivision.

(c) The department shall cooperate with the:

- (1) department of labor created by IC 22-1-1-1;
 - (2) department of state revenue established by IC 6-8.1-2-1;
- and

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1 (3) worker's compensation board of Indiana created by
2 IC 22-3-1-1(a);
3 by sharing information concerning any suspected improper
4 classification by a contractor of an employee as an independent
5 contractor (as defined in IC 22-3-6-1(b)(7) or IC 22-3-7-9(b)(5)).
6 (d) For purposes of IC 5-14-3-4, information shared under this
7 section is confidential, may not be published, and is not open to
8 public inspection.

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